

The Product Highlights Sheet is an important document.

Prepared on: 18 August 2017

- It highlights the key terms and risks of the ILP sub-fund and complements the Product Summary.
- It is important to read the Product Summary before deciding whether to purchase the ILP sub-fund. If you do not have a copy, please contact us to ask for one.
- You should not invest in the ILP sub-fund if you do not understand it or are not comfortable with the accompanying risks.

## GLOBAL INCOME FUND

<b>Product Type</b>	ILP Sub-Fund <sup>1</sup>	<b>Launch Date</b>	26 March 2015
<b>Manager</b>	NTUC Income Insurance Co-operative Limited (Income)	<b>Custodian</b>	Citibank N.A.
<b>Capital Guaranteed</b>	No	<b>Dealing Frequency</b>	Every business day
<b>Name of Guarantor</b>	Not applicable	<b>Expense Ratio as of 30 June 2017</b>	1.55%

### SUB-FUND SUITABILITY

<p><b>WHO IS THE PRODUCT SUITABLE FOR?</b></p> <p>The sub-fund is <u>only</u> suitable for investors who:</p> <ul style="list-style-type: none"> <li>• seek capital growth and income;</li> <li>• understand the risks associated with investing in shares and bonds of companies worldwide, bonds and currencies of governments and government agencies worldwide or indirectly through funds and derivatives; and</li> <li>• appreciate that the sub-fund is not a capital guaranteed fund, i.e. the amount of capital invested or return received is not guaranteed.</li> </ul> <p>It is important that your investment suit your risk appetite. You may wish to consult your financial adviser before investing in the sub-fund.</p>	<p>For further information, please refer to “Investment Objective, Investment Scope and Fund Details” on page 1 of the Fund Summary for ILP.</p>
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### KEY FEATURES OF THE SUB-FUND

<p><b>WHAT ARE YOU INVESTING IN?</b></p> <p>The sub-fund aims to provide income and capital growth over the medium to longer term by investing primarily in global equities and global fixed income securities directly or indirectly through the use of Investment Funds or financial derivative instruments (including, but not limited to, futures, options and credit default swaps). The sub-fund intends to achieve this objective by investing 100% in Schroder International Selection Fund Global Multi-Asset Income (“underlying fund”) in SGD Hedged A Distribution Share Class which is managed by Schroder Investment Management Limited.</p> <p>The sub-fund is denominated in Singapore Dollars.</p> <p>The sub-fund offers a monthly distribution pay-out feature, with a historical distribution of 4% to 5% of the net asset value per annum. Distributions are not guaranteed and can be made out of income, capital gains, and/or capital of the sub-fund which is expected to result in an immediate reduction of the net asset value per unit/share. Past payout yields do not represent future payout yields. The sub-fund is not a capital guaranteed fund, i.e. the amount of capital invested or return received is not guaranteed.</p>	<p>For further information, please refer to “Investment Objective, Investment Scope and Fund Details” on page 1 of the Fund Summary for ILP.</p>
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### Investment Strategy

<p>At least two-thirds of the underlying fund (excluding cash) will be invested directly in shares and bonds of companies worldwide, bonds and currencies of governments and government agencies worldwide or indirectly through funds and derivatives. The underlying fund will not invest more than 10% into funds. The underlying fund aims to provide a sustainable level of income. It invests in a broad range of assets from around the world, and seeks to identify attractive sources of income whilst diversifying risk. The regional allocation and allocation of asset classes may vary over time. The underlying fund may also hold cash on deposit. Financial derivative instruments and cash may be used to achieve the investment objective, to reduce risk or manage the underlying fund more efficiently.</p>	<p>For further information, please refer to “Investment Scope and Investment Approach” on page 1 of the Fund Summary for ILP.</p>
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<sup>1</sup> For ILP sub-fund that feeds 100% into an underlying CIS fund, some of the information provided below could be similar to the underlying CIS fund.

Parties Involved	
<p><b>WHO ARE YOU INVESTING WITH?</b> The sub-fund is managed by NTUC Income Insurance Co-operative Limited. It invests 100% in Schroder International Selection Fund Global Multi-Asset Income which is managed by Schroder Investment Management Limited. With effect from 1 July 2013, the investment management of a portion of the fixed income portfolio of the Fund will be delegated by Schroder Investment Management Limited to Schroder Investment Management (Singapore) Ltd. The Management Company is Schroder Investment Management (Luxembourg) S.A.. The custodian of the sub-fund is Citibank N.A.. The custodian of the underlying fund is J.P. Morgan Luxembourg S.A..</p>	For further information, please refer to “Fund Manager” on page 2 of the Fund Summary for ILP.
KEY RISKS	
<p><b>WHAT ARE THE KEY RISKS OF THIS INVESTMENT?</b> You should consider and satisfy yourself as to the risks of investing in the sub-fund.</p> <p>An investment in the sub-fund is meant to produce returns over the long term. You should not expect to obtain short-term gains from such investments.</p> <p>The securities and instruments in which the sub-fund may invest are subject to market fluctuations and other risks inherent in such investments and there can be no assurance that any appreciation in value will occur.</p> <p>The risk factors may cause you to lose some or all of your investments. A description of the major risks is provided below.</p>	For further information, please refer to “Risks” on page 3 of the Fund Summary for ILP.
Market and Credit Risks	
<p><b>You are exposed to the following risks:</b></p> <p><b>Market Risks</b> The value of investments by the sub-fund may go up and down due to changing economic, political or market conditions, or due to an issuer’s individual situation.</p> <p><b>Credit Risks</b> A decline in the financial health of an issuer could cause the value of its bonds to fall or become worthless.</p> <p><b>Currency Risks</b> The sub-fund can be exposed to different currencies. Changes in foreign exchange rates could create losses.</p>	
Liquidity Risks	
<p><b>You are exposed to liquidity risks.</b> There is no secondary market for the sub-fund. All redemption requests should be made to the Manager.</p>	
Product-Specific Risks	
<p><b>You are exposed to the following risks:</b></p> <p><b>China Country Risks</b> Changes in China’s political, legal, economic or tax policies could cause losses or higher costs of the sub-fund.</p> <p><b>Counterparty Risks</b> If a counterparty to a financial derivative contract were to default, the unrealised profit on the contract and its market exposure may be lost.</p> <p><b>Equity Risks</b> Equity prices fluctuate daily, based on many factors including general, economic, industry or company news.</p> <p><b>Debt Securities Risks</b> A security issuer may not be able to meet its obligations to make timely payments of interest and principal. This will affect the credit rating of those securities.</p> <p><b>Money Market and Deposit Risks</b> A failure of a deposit institution or an issuer of a money market instrument could create losses.</p>	

### Product-Specific Risks (continued)

#### Financial Derivatives Risks

The sub-fund may use financial derivative instruments as part of the investment process. The use of futures, options, warrants, forwards, swaps or swap options involves increased risk. The sub-fund's ability to use such instruments successfully depends on the Manager's ability to accurately predict movements in stock prices, interest rates, currency exchange rates or other economic factors and the availability of liquid markets. If the Manager's predictions are wrong, or if the financial derivative instruments do not work as anticipated, the sub-fund could suffer greater loss than if the sub-fund had not used such instruments.

#### Emerging Markets and Frontier Risks

Emerging markets will generally be subject to greater political, legal, counterparty and operational risk.

#### High Yield Bond Risks

High yield bonds (normally lower rated or unrated) generally carry greater market, credit and liquidity risk.

#### Interest rate risks

A rise in interest rates generally causes bond prices to fall.

#### Onshore Renminbi Currency Risks

Currency control decisions made by the Chinese government could affect the value of the sub-fund's investments and could cause the sub-fund to defer or suspend redemptions of its shares.

#### Risks Relating to Distributions

The Manager of the sub-fund has the absolute discretion to determine whether a distribution is to be made. The Manager also reserves the right to review and make changes to the distribution policy from time to time. Where the income generated by the sub-fund is insufficient to pay distributions as declared, the Manager may at its discretion make such distributions out of the capital of the sub-fund. In circumstances where distributions are paid out of the capital of the sub-fund, the NAV of the sub-fund will be reduced.

#### Operational Risks

The sub-fund's operations depend on third parties and it may suffer disruption or loss in the event of their failure.

### FEES AND CHARGES

#### WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT?

##### Payable directly by you

You will need to pay the following fees and charges as a percentage of your gross investment sum:

Sales Charge	<p><b>Single premium investment (GrowthLink)</b> 3.5% bid offer spread (an extra 0.5% bonus unit will be given for all single premium and top-ups)</p> <p><b>Regular premium investment (VivaLink)</b> 3.5% bid offer spread (an extra 0.5% bonus unit will be given for all top-ups) Additional charges ranging from 0% to 75% of the Annualised Premium also applies.</p>
Policy Fee	<p><b>Single premium investment (GrowthLink)</b> No initial policy fee. Annual renewal policy fee of \$50 deducted at each policy anniversary through units deduction at bid price. This fee covers the costs of ongoing policy administration. Annual policy fee will be waived if the net premium paid is \$25,000 or higher.</p> <p>Net premium is the total premiums paid less the total withdrawals.</p> <p><b>Regular premium investment (VivaLink)</b> A policy fee of \$5 is deducted monthly through units deduction at bid price.</p>

For further information, please refer to "Fees and Charges" in section 4 of the Product Summary for ILP.

### FEES AND CHARGES (continued)

Switching Fee	<p><b>Single premium investment (GrowthLink)</b> There is no charge for sub-fund switching.</p> <p><b>Regular premium investment (VivaLink)</b> There is no charge for sub-fund switching.</p>
Redemption Charge	<p><b>Single premium investment (GrowthLink)</b> There is no redemption charge.</p> <p><b>Regular premium investment (VivaLink)</b> There is no redemption charge.</p>

Payable by the ILP sub-fund from invested proceeds

The sub-fund will pay the following fees and charges to the Manager and other parties:

Annual Management Fee	<p>1.25% per annum, including the management fee charged by the investment manager of Schroder International Selection Fund Global Multi-Asset Income. The Annual Management Fee is not guaranteed and may be reviewed from time to time. However, it shall not exceed 2.0% of the sub-fund balance at any point of time.</p>
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### VALUATIONS AND EXITING FROM THIS INVESTMENT

#### HOW OFTEN ARE VALUATIONS AVAILABLE?

The sub-fund is valued daily on an offer/bid basis. All transactions for ILP are based on forward pricing. The prices are updated on the website of Income on each working day.

#### HOW CAN YOU EXIT FROM THIS INVESTMENT AND WHAT ARE THE RISKS AND COSTS IN DOING SO?

You can exit the sub-fund at any time by informing the insurer, either directly or through the financial adviser from whom you purchased the sub-fund.

If you do so within the cancellation period of 14 days from time of purchase, you may do so without incurring the sales charge and fees stated above. However, you will have to take the risk for any price changes in the NAV of the sub-fund since you purchased it.

You will receive the sale proceeds within 5 business days from the time the insurer receives your request to exit from the sub-fund.

Your exit price is determined as follows:

1. If you submit the redemption order before 3 pm on a business day, you will be paid a bid price based on the net asset value of the sub-fund at the close of that business day.
2. If you submit the redemption order after 3 pm, you will be paid a price bid based on the net asset value at the close of the next business day.

The sale proceeds that you will receive will be the exit price multiplied by the number of units sold, less any charges as stated in the terms of the ILP, if applicable.

An example, assuming that redemption charge is not applicable, is as follows:

Exit price	X	Number of units sold	=	Gross Sale Proceeds
S\$1,250	X	1,000	=	S\$1,250
Gross Sale Proceeds	-	Realisation Charge	=	Net Sale Proceeds
S\$1,250	-	S\$0.00	=	S\$1,250

Depending on the ILP that you are investing in, a redemption charge may be applicable. Please refer to the Product Summary of the ILP for more details.

For further information, please refer to “Subscription of Units” and “Redemption of Units” in section 5 and 6 in Product Summary for ILP.

### CONTACT INFORMATION

#### HOW DO YOU CONTACT US?

More information on the sub-fund could be obtained from the following website:

[www.income.com.sg/fund/coopprices.asp](http://www.income.com.sg/fund/coopprices.asp)

Alternatively, you may contact our Customer Service Officers at 6788 1122 / 6788 1777 or email us at [csquery@income.com.sg](mailto:csquery@income.com.sg) for more information.

**APPENDIX: GLOSSARY OF TERMS**

<b>ILP</b>	Investment-Linked Policy
<b>Efficient portfolio management</b>	An investment technique that seeks either to reduce the risk or cost or generate additional return consistent with risk profile of the sub-fund.
<b>NAV</b>	Net Asset Value
<b>Offer/Bid Basis</b>	The offer price is the price that is used to purchase units, the bid price is the price that is used when units are sold. The difference in the bid offer price is known as spread. The spread helps to cover distribution costs, marketing and other general administration expenses.
<b>Business Day</b>	Any day (other than a Saturday, Sunday or gazetted public holiday) on which commercial banks are open for business in Singapore.
<b>High Yield Bond</b>	High Yield Bond is also known as non-investment grade security and has a long-term rating below that of BBB by Fitch, Baa by Moody's or BBB by Standard and Poor's.
<b>CIS</b>	CIS refers to Collective Investment Scheme, which has the meaning given to it under Section 2 of the Securities and Futures Act.